

**1.0 Department of  
Human Services**

The Department of Human Services is established and functions under authority of Title 62A of the Utah Code. In addition to the Executive Director Operations budget, there are seven divisions within the Department of Human Services. These include the Divisions of Substance Abuse, Mental Health, Services for People with Disabilities, Aging and Adult Services, Office of Recovery Services, Child and Family Services, and Youth Corrections. The Division of Youth Corrections' budget is heard in the Executive Offices, Criminal Justice and Legislature Appropriations Subcommittee.

## 1.1 Department Budget Summary

The Analyst's FY 2000 funding recommendations for the Department of Human Services represent an analysis of the Department's most pressing needs, while recognizing the limited availability of funds. The following table summarizes the department's actual expenditures for FY 1998, its authorized FY 1999 budgets, and the Analyst recommended FY 2000 budgets. For FY 2000, the Analyst recommends a total appropriation of \$ 396.2 million, with \$ 188 million from the State General Fund. The FY 2000 budget figures do not include the reserve for compensation set aside by the Executive Appropriations Committee.

	<b>FY1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$177,025,900	\$184,732,400	\$188,019,300	\$3,286,900
Gen Fund Restricted	2,588,000	1,850,000	2,050,000	200,000
Federal Funds	98,359,017	94,132,900	94,107,400	(25,500)
Dedicated Credits	7,284,300	7,654,200	8,548,800	894,600
Transfers	92,636,481	97,745,500	103,461,500	5,716,000
Beginning Nonlapsing	1,613,647	2,130,500		(2,130,500)
Ending Nonlapsing	(2,151,884)			
Lapse	(2,174,689)			
<b>Subtotal</b>	<b>\$375,180,772</b>	<b>\$388,245,500</b>	<b>\$396,187,000</b>	<b>\$7,941,500</b>
<b>One-time funding:</b>				
General Fund	\$0	\$936,700	\$0	(\$936,700)
General Fund Restricted		690,000		(690,000)
Dedicated Credits		400,000		(400,000)
Transfers		50,000		(50,000)
Beginning Nonlapsing		21,300		(21,300)
<b>Total</b>	<b>\$375,180,772</b>	<b>\$390,343,500</b>	<b>\$396,187,000</b>	<b>\$5,843,500</b>
FTEs		3,401.00	3,489.4	88.4
<b>Divisions</b>				
Executive Director Office	\$26,455,080	\$18,552,200	\$18,368,400	(\$183,800)
Mental Health	58,467,761	62,383,700	65,062,500	2,678,800
Substance Abuse	23,259,968	24,558,800	24,782,600	223,800
Svc for People w/Disab.	106,137,908	110,656,800	114,425,800	3,769,000
Office of Recovery Svc	35,527,723	40,337,100	39,309,100	(1,028,000)
Child & Family Services	108,474,812	115,908,600	116,670,300	761,700
Aging & Adult Services	16,857,520	17,946,300	17,568,300	(378,000)
<b>Total</b>	<b>\$375,180,772</b>	<b>\$390,343,500</b>	<b>\$396,187,000</b>	<b>\$5,843,500</b>

## 2.0 Department Budget Highlights

The following table summarizes the changes and building blocks recommended by the Analyst for the FY 2000 budget. Following the table are capsule discussions of some of the more significant budget issues considered by the Analyst for the Department of Human Services.

	General Fund	SSBG*	Total Funds
<b>FY 1999 Authorized</b>	<b>\$185,669,100</b>	<b>\$0</b>	<b>\$390,343,500</b>
<b>Transfers, Adjustments</b>			
Less one-time funding	(\$936,700)		(\$2,098,000)
Rent reallocation - 2nd West			(100)
Rent reduction - N. Temple	(7,500)		(13,400)
Other adjustments & non-state funds revenue estimate changes			(1,727,800)
Net Transfers	60,900		160,200
<b>FY 2000 Building Blocks</b>			
ISF Adjustments	232,800		223,300
FMAP match rate change	35,600	501,500	
Rental / lease increases	401,500		529,600
State Hospital forensic facility operation	3,140,000		3,140,000
Foster Care Citizens Review Boards lease space		30,000	35,700
Disabilities Trust Fund (one-time expenditures)			200,000
Emergency placements and services for people with disabilities		300,000	1,063,400
Services for people with disabilities on waiting list		1,000,000	3,253,400
State Automated Child Welfare Information System (SAFE) operation		605,500	1,211,000
Domestic violence treatment and prevention		500,000	500,000
<b>FY 2000 Base Reductions</b>			
DCFS: Base budget reduction for "case load reductions"	(363,200)		(363,200)
DCFS: FY 1998 Building Block's one-time components	(213,200)		(270,600)
<b>Total Building Blocks &amp; Adjustments</b>	<b>\$2,350,200</b>	<b>\$2,937,000</b>	<b>\$5,843,500</b>
<b>Total FY 2000 Budget Recommendations</b>	<b>\$188,019,300</b>	<b>\$2,937,000</b>	<b>\$396,187,000</b>
(Without Compensation Adjustment)			
* These amounts represent Department state funds made available by transfer of TANF funds to the SSBG.			

## **2.1 Compensation Adjustments**

The Executive Appropriations Committee will make all compensation adjustment decisions. State law requires the Governor to consider an adjustment to local mental health, substance abuse and aging authorities, as well as service providers for the Division of Services for People with Disabilities. This adjustment would provide a compensation increase comparable to that recommended for state employees. The Governor did not include funding for these adjustments in his budget. The Analyst likewise did not include these adjustments in his recommendations.

## **2.2 Transfers from the TANF “rainy day” fund**

Several years ago, federal welfare reform provided block grants to states for the Temporary Assistance to Needy Families (TANF) program. The block grant amount was based on 1995 caseloads, and will remain fixed until the year 2002. Since then, caseloads have been dropping significantly largely due to improved economic conditions. This resulted in a “surplus” of TANF funds that states may save for future needs (and economic downturns). States are allowed to transfer money from the TANF reserve to the Social Services Block Grant (SSBG). The Governor has included a transfer of about \$2.9 million to the SSBG from TANF to fund social services programs in the Department of Human Services. The Analyst included a similar transfer.

The SSBG funds will not be used directly to fund these projects, but will be used to “free up” State funds that can be used to draw down additional federal funds. It’s important to remember that these transfers will only be available until the year 2002, when the Legislature will consider whether to replace them with State funds or reduce human service budgets accordingly.

## **2.3 David C. v. Leavitt Court Settlement**

In February 1993, the National Center for Youth Law (NCYL) filed a civil rights complaint in U.S. District Court on behalf of all children reported as abused and neglected and all foster children in Utah. A four-year settlement was signed by Governor Leavitt and approved by the Court in 1994.

In August 1998, the Court allowed the four-year settlement to expire. However, the Judge required the Division to write a comprehensive plan to improve Child Protective Services that would be satisfactory to the court. A draft plan was presented to the Court, but was found incomplete. The Division was instructed to revise the plan by spring of 1999 and to have it reviewed by the NCYL. The Court will decide if the plan is adequate and whether the Court or the Department of Human Services will enforce compliance with the plan.

## **2.4 Families, Agencies, and Communities Together (F.A.C.T.)**

Families, Agencies, and Communities Together (FACT) provides flexible, preventive services to families with children at-risk of failing in school, and/or at risk of abuse and neglect. It is administered by staff in the Department of Human Services and involves the Departments of Human Services, Health, Public Education, Workforce Services, and the Juvenile Courts.

In 1996, the Legislature passed H.J.R. 10 which provides for a committee of 18 legislators to meet during the general session to review FACT related budgets. The committee met during the last two general sessions and will meet again during the first three weeks of the 1999 Session.

**2.5 FY 1999 One-time Funding**

The Analyst has reduced the FY 2000 base budget by \$936,700 (General Fund) in one-time FY 1999 appropriations. Included in this amount is \$515,000 for two pilot programs in the Division of Child and Family Services (DCFS) dealing with troubled teens and their families, \$100,000 appropriated for senior citizens centers, \$100,000 for transportation needs of the elderly, \$200,000 for development of a new management information system at the State Hospital, and \$21,700 for the monitoring panel that oversaw compliance with the David C. court settlement.

**2.6 Changes in Federal Match Rates**

The federal medical assistance percentage match rate for FY 2000 is changing from 71.98 percent to 71.61 percent. As a result, the State needs to assume a larger match to maintain current program levels. The Analyst recommends that \$537,100 be appropriated to make up this shortfall. Included are funds for the State Hospital in Provo, and the Divisions of Services for People with Disabilities, Aging and Adult Services and Child and Family Services. Most of the funding is from department general funds made available by transferring funds from the TANF (Temporary Assistance for Needy Families) “rainy day” fund to the SSBG (Social Services Block Grant). There is no overall expenditure increase as this is a funding shift.

**2.7 Waiting List for Services for People with Disabilities**

Currently, there are about 2,300 people on the waiting list for community-based services, including about 800 waiting for residential services. Of the people waiting for services, about 1,800 are considered in critical or immediate need of services. These are people whose service providers (the family) are unable to continue care and/or the client’s health is in jeopardy. The Analyst recommends \$3.2 million in new funding for services for people on the DSPD waiting list. This includes \$1 million from Division State funds made available by transferring funds from the TANF “rainy day” fund to the SSBG. Services funded include residential, family support, supported employment, and personal assistance. An additional amount of \$1,063,400 (\$300,000 from TANF transfers) is recommended for emergency community placements and services.

Utah provides ICF/MR (intermediate care facilities for people with mental retardation) services administered through the Department of Health. It also provides services through the Medicaid Home and Community-based Services (HCBS) waiver. Most states have waiting lists for HCBS services. However, this practice is under attack by advocates for people with disabilities and their attorneys. Lawsuits have been filed in various states, including Florida, Georgia and Montana, attacking states’ waiting lists for services. In Florida, courts have determined that that state must provide services to eligible clients in a “timely” manner, meaning within 90 days of eligibility determination. This refers to services in the ICF/MR system. In Georgia, the court is currently deliberating whether disabled individuals must have the option of being provided services in the least restrictive, most “normal” setting (community based). The suit is based on the Americans with Disabilities Act (ADA). This pending decision could have severe impacts on all states, including Utah, with waiting lists for community-based services.

**2.8 State Hospital  
Forensic Facility**

The new 100 bed forensic facility at the State Hospital in Provo will be completed in July 1999. It will serve various categories of individuals in the State's judicial and court systems. Currently, the hospital has 56 forensic beds in the old Hyde Building, but it accommodates approximately 70 patients. The movement of these 70 patients into the new facility will free up about 15 beds that have traditionally been available for use by the local mental health authorities. The Division requested \$5.6 million in new State funds to supplement the \$4,960,000 million currently in the budget for forensic patient care. The Analyst recommends \$3,140,000 which would fund operation of three of the four wings (or about 75 patients). The Legislature will consider possible additional operating funds in the Year 2000 General Session.

**2.9 Operation of the  
State Automated Child  
Welfare Information  
System**

The Division is completing the development of the new SACWIS (State Automated Child Welfare Information System), also known as "SAFE," which will provide state wide electronic case management. The system will automatically develop service need lists, develop documents needed for foster care placements, maintain education and other case histories, and ease report creation. When completed in the spring of 1999, the total cost of the system will be about \$16.9 million with the Federal Government paying about 65 percent of the cost. These costs include about \$3 million for equipment and \$380,000 for off-the-shelf software products.

For FY 2000, the Division requests operation and maintenance costs of \$1,211,000, with half coming from the State General Fund and the other half from federal funds. Previous appropriated operating budgets total about \$850,000. The Analyst recommends this budget increase, with half (\$605,500) coming through the SSBG fund transfer.

**2.10 Domestic Violence**

The Division requests funding to fill in gaps in service programs for victims of domestic violence in the State. Additional funding is requested for the State's various shelter programs and to enhance the State's ability to respond to family crisis situations. The Analyst recommends \$500,000 for these programs from Division state funds made available by transferring TANF funds to the SSBG.

**2.11 Year 2000  
Computer Issue**

The Department identified more than \$2.7 million in costs related to the Y2K (year 2000) problem. The Analyst recommends that all State Y2K funding requests be addressed in the Capital Facilities and Administrative Services Appropriations Subcommittee and that a Statewide funding pool be created for dealing with this problem.